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Öresund and Custos to merge

- Custos to be absorbed by Öresund

- One Custos share to be exchanged for one Öresund share

Summary of the merger

- Based on the share price of Öresund as at 23 April 2004, the merger implies that Custos' shareholders will receive Öresund shares with a market value corresponding to 101 percent of Custos' net asset value (NAV) per share as at 23 April 2004, adjusted for Custos' proposed dividend¹.
- Based on the share prices for Custos and Öresund as at 23 April 2004, the exchange ratio implies a premium of 15 percent for the shareholders in Custos, adjusted for the proposed dividend in Custos¹.
- The merger will increase Öresund's NAV per share by SEK 1.50, corresponding to 1.1 percent.
- As a result of the merger, the winding down of Custos will be completed at the same time as Custos' shareholders will have the opportunity to continue as shareholders in an investment company with principally the same investment strategy.
- The merger will not trigger any tax effects for Custos' Swedish shareholders. Potential tax effects will not arise until the received Öresund shares are sold.
- The merger is conditional upon approvals at both Custos' Annual General Meeting, which will be moved to 8 June 2004 as a result of the proposed merger, and the Extraordinary General Meeting of Öresund's shareholders the same day. The merger is expected to be completed early in September 2003.

The Boards of Investment AB Öresund (publ) ("Öresund") and Aktiebolaget Custos (publ) ("Custos") today announced that they have resolved on a plan to merge the two companies. The merger is intended by means of a statutory merger. In exchange for its shares in Custos, the Custos shareholders will receive new shares in Öresund. The merger must be approved by General Meetings of shareholders in each company.

"As the main owner in Custos, Öresund has for a long period of time aimed for, that as large a proportion as possible of the Custos' NAV should be distributed to the shareholders of Custos. As a result of the merger, Custos' shareholders will receive a value that can be considered to exceed what they can expect from a liquidation of the company. For Öresund, the merger will lead to a broader capital base, which should increase the trading liquidity in the company's share. In addition, Öresund's NAV per share increases as an effect of the merger", Stefan Dahlbo, Deputy Chief Executive of Öresund, comments.

"For Custos' shareholders, this merger is a more favourable solution than liquidation. The merger implies that Custos' shareholders will receive a consideration, which in value terms can be assumed to be on par with the NAV per share in Custos and is therefore estimated to exceed the expected value from a liquidation of the company. Furthermore, Custos' shareholders can choose to remain shareholders in Öresund, which has a similar investment philosophy to that of Custos. The merger implies that Swedish shareholders will not need to pay any potential capital gains tax on the consideration for the merger until the shares in Öresund are divested. Consequently, the merger is an attractive solution for Custos' shareholders.", comments Mikael Nachemson, Chief Executive of Custos.

¹ The proposed dividend in Custos is made up by two class B shares in AcandoFrontec per share held in Custos.

BACKGROUND AND REASONS FOR A MERGER

The Board of Custos has aimed for the full net asset value to be made available to the shareholders. The company's assets have therefore been gradually transferred to the shareholders in the last years. These measures have caused the company to decrease significantly in size to a level where the costs of administration, stock market listing and the shareholder base can no longer be justified. Through the proposed merger, Öresund, which is the largest shareholder in Custos, contributes to the completion of the winding down of Custos in a way that maximises the potential values for the Custos shareholders.

Based on the current situation, the Boards of Custos and Öresund are of the opinion that a merger in accordance with the merger plan drawn up by the Boards will have the following benefits for the shareholders of Öresund and Custos²:

- As a result of the merger, Custos' shareholders will receive shares in Öresund with a market value corresponding to 101 percent of the NAV per share in Custos as at 23 April 2004. This value is therefore considered to exceed the value that the shareholders would have received in a liquidation of the company. Based on the market values of each company's share as at the same date the merger corresponds to a premium of about 15 percent. The merger implies that Custos' shareholders will receive shares in Öresund with a NAV post-merger corresponding to 93 percent of Custos' NAV per share.
- The NAV per share in Öresund is estimated to increase by SEK 1.50 or 1.1 percent, following the merger (adjusted for transaction costs) and based on each company's NAV as at 23 April 2004. This increase will also benefit the Custos shareholders.
- The proposed merger implies that all Custos' Swedish shareholders who wish to remain as shareholders can receive Öresund shares without any tax effects arising as a result of possible capital gains. If the company had been wound down through liquidation, Custos' shares held would have been deemed to be divested from a taxation point of view. In the case of liquidation, many shareholders would thus have needed to pay tax on potential capital gains from their holdings of Custos' shares.
- Liquidity in the Öresund share is expected to increase after the merger since the merger creates a company with larger market value and a larger group of shareholders.

CHOICE OF MERGER METHOD

The Boards have decided that the merger shall be performed through a statutory merger.

In the proposed merger, each company's shareholders are treated equally, since it is possible for them to vote on the merger at the respective shareholders' meeting. It is intended that a resolution concerning the merger will be made at the Annual General Meeting of Custos' shareholders on 8 June 2004.³ On the same date, an Extraordinary General Meeting of the shareholders of Öresund will be held which, apart from a resolution concerning the merger, will also decide on issuing the Öresund shares which represent consideration in the merger. The merger plan requires approval by a two-thirds majority of both the votes cast and of the shares represented at the meeting.

The Boards also consider that a statutory merger is an appropriate form for a merger when two companies mutually decide to merge on terms intending to avoid the transfer of material values between the two companies.

² All calculations accounted for in the section below are adjusted for the proposed dividend in Custos, amounting to two class B shares in AcandoFrontec for every Custos share held.

³ The date of Custos' Annual General Meeting has been moved from 27 May 2004 to 8 June 2004 due to the proposed merger.

ESTABLISHMENT OF THE EXCHANGE RATIO

When deciding an exchange ratio, which is fair for both Öresund's and Custos' shareholders, the Boards of the companies have taken into account a number of factors. For Öresund, the aim has been for the transaction to contribute to an increase of the Öresund NAV per share. For Custos', the aim has been that, as far as possible, the shareholders should receive the full NAV adjusted for costs in relation to the wind-down. The stock market valuation of the Öresund shares in comparison with the Custos' NAV per share, adjusted for costs for liquidation, has therefore been considered to be of great importance. In addition, both companies' share prices and per share NAVs have been taken into account. The majority of each company's assets are listed on public markets and subject to liquid trading. Calculations of net asset values have been based on the quoted prices for listed assets. Non-listed assets have been valued at book value, which are estimated to correspond to market values.

Based on the above, the Boards have agreed on an exchange ratio implying that each share in Custos entitles the holder to a merger consideration of one share in Öresund. The table beneath shows both companies' share prices and NAVs as at 23 April 2004, including the effects of the proposed dividend in Custos.

	Öresund	Custos
Share price, as of closing 23 April 2004	SEK 150.00	SEK 143.00
<u>Custos' proposed dividend: 2 shares in AcandoFrontec</u>	-	<u>SEK -12.40</u>
Share price adjusted for dividend	SEK 150.00	SEK 130.60
Received market value for Custos' shareholders		SEK 150.00
- compared with Custos' share price		115 % of share price
- compared with Custos' NAV per share		101 % of NAV per share
NAV per share, before merger ⁴	SEK 137.34	SEK 161.65
<u>Custos' proposed dividend: two shares in AcandoFrontec</u>	-	<u>SEK -12.40</u>
NAV per share, adjusted for dividend, before merger	SEK 137.34	SEK 149.25
NAV per share, after the merger ⁵	SEK 138.84	-
NAV per share received by Custos' shareholders		SEK 138.84
NAV per share after merger compared with before merger	101%	93%

Based on the volume-weighted average of the respective companies' share prices during a five-day period prior to the announcement of the merger (19-23 April 2004), the exchange ratio corresponds to a premium of 12 percent, adjusted for the proposed dividend in Custos. Based on a 20-day period prior to the announcement, the corresponding premium amounts to 12 percent.

If Custos' NAV is based on the volume-weighted average closing prices for five-day period 19-23 April 2004, shareholders in Custos receive Öresund shares with an average market value corresponding to 99 percent of the NAV in Custos, adjusted for the proposed dividend. If also the NAV of Öresund is calculated in the same way, the shareholders in Custos receive Öresund shares with a NAV per share after the merger corresponding to 94 percent of the per share NAV in Custos, adjusted for the proposed dividend.

⁴ Based on the closing prices for all listed holdings as at 23 April 2004 and including the effects from synthetic repurchases of shares in both Öresund and Custos.

⁵ See Appendix 2 for the pro forma calculation of NAV.

The Board of Öresund has obtained a fairness opinion from Handelsbanken Capital Markets concerning the exchange ratio. The Board of Custos has obtained a corresponding opinion from Deloitte. In its statement to the Board of Öresund, Handelsbanken Capital Markets states that the exchange ratio is fair for the shareholders in Öresund from a financial point of view. Deloitte has issued a similar statement relating to Custos' shareholders in its statement to the Board of Custos. Öresund and Custos have retained Handelsbanken Capital Markets as adviser relating to the completion of the merger.

TERMS AND CONDITIONS FOR THE MERGER

The following conditions apply for the merger:

1. that the 2004 Annual General Meeting of the shareholders of Custos approves of the merger plan with a two-thirds majority of both the votes cast and the shares represented at the Annual General Meeting;
2. that an Extraordinary General Meeting of the shareholders of Öresund firstly approves the merger plan with a two-thirds majority of both the votes cast and the shares represented at the meeting and secondly decides on a new issue of shares in consideration of the merger; and
3. that no other party before the 2004 Annual General Meeting in Custos, publicly announces an offer to the shareholders in Custos buy shares in Custos on terms that are more beneficial to the shareholders than the merger.

THE BOARDS' RECOMMENDATIONS

The Boards of Öresund and Custos consider that the merger takes into account the interests of both groups of shareholders and that the exchange ratio is fair. The two Boards therefore unanimously recommend the shareholders in each company to vote in favour of the merger plan at the companies' respective General Meetings of shareholders on 8 June 2004.

Neither Sven Hagströmer nor Mats Qviberg, who both are members of Öresund's and Custos' respective Boards, have participated in the handling of the merger plan or in the recommendation to the shareholders to vote in favour of the plan.

Shareholders representing 50 percent of the votes and of the capital in Öresund have expressed that they will vote in favour of the proposed merger at Öresund's Extraordinary General Meeting. Shareholders representing 13 percent of the votes and the capital in Custos have expressed that they will vote in favour of the proposed merger at Custos' Annual General Meeting.

APPROVAL AND EXECUTION

The Swedish Companies Act states that the auditors shall review and submit a statement of the merger plan. The Boards expect such statement will be available during the current week, after which the merger plan will be handed to the Patent and Registration Office for registration.

The Annual General Meeting of Custos will be held on 8 June 2004 to resolve on the merger. Thus, the Annual General Meeting will be moved from 27 May 2004 as a result of the merger. An Extraordinary General Meeting of Öresund's shareholders will be held on 8 June 2004 to resolve on the merger and to decide on a new issue of Öresund shares in consideration of the merger.

After the two shareholders' meetings have approved the merger plan, there will be certain procedures relating to creditors pursuant to the Swedish Companies Act. When the merger has been registered by the Swedish Patent and Registration Office, Custos' shareholders will automatically receive newly-issued Öresund shares. No merger consideration will be issued for the Custos shares held by Öresund. The merger process is expected to be completed in about four months after the resolutions by the shareholders' meetings, that is in early September 2004. When the Patent and

Registration Office registers the merger, Custos will be dissolved and its assets and liabilities transferred to Öresund. The companies will announce as far in advance as possible on which day the Patent and Registration Office will register the merger.

Both Custos' and Öresund's shares will be listed on Stockholmsbörsen's O-list until the merger is registered. Custos' shares will subsequently be exchanged for new Öresund shares and the Custos share will be de-listed. The final day for trading in Custos' shares is intended to be three days before the Patent and Registration Office registers the merger and the first day for trading in the Öresund shares issued as consideration of the merger, is expected to be the day before the merger is registered. Due to technical issues relating to the registration, Custos' shareholders will consequently be prevented from trading their shares for two days in connection to the execution of the merger. Öresund's shares will continue to be listed on Stockholmsbörsen's O-list, with the same wealth tax status as today.

THE MERGED COMPANY

No significant changes in the focus of Öresund's operations are expected as a result of the merger. Minor changes in the Board of Öresund may follow as a result of the merger. Through the merger, Öresund's organisation will be strengthened by Custos employees, which will be offered to join the company.

After the merger, Öresund will have significant holdings in, among others, the following listed companies:

Listed assets Pro forma as at 23 April 2004 (after the distribution of shares in AcandoFrontec)	Number of shares	Share of votes	Share of capital	Share price 23 April 2004 (SEK)	Value per share	
					23 April 2004 (SEK m)	23 April 2004 (SEK)
Fabege (formerly Drott)	7,592,500	8.2%	8.5%	106.00	805	25
Wihlborgs	7,751,200	12.4%	12.4%	96.00	729	23
Bilia	3,950,487	15.4%	15.4%	85.00	336	11
Nobia	3,875,000	6.0%	6.0%	75.00	291	9
Bostads AB Drott (fractional shares)	8,395,900	9.4%	9.4%	33.90	285	9
SCA	849,900	0.1%	0.4%	314.00	267	8
Sapa	1,291,500	3.5%	3.5%	192.50	249	8
Hagströmer&Qviberg	1,515,370	29.1%	29.1%	159.00	241	8
SkiStar	1,140,200	8.3%	11.8%	184.50	210	7
Avanza	5,133,847	19.3%	19.3%	37.00	190	6
C. Tybring-Gjedde	395,070,000	34.0%	34.0%	0.35	140	4
Klövern	5,631,307	6.7%	6.7%	15.40	87	3
HQ Fonder	792,116	18.9%	18.9%	109.00	86	3
Fabege (redemption rights)	7,592,500			11.00	84	3
AcandoFrontec ⁶	4,725,107	5.9%	8.9%	6.20	29	1
Other holdings					250	8
Total market value					4,277	134

The total pro forma net asset value after the merger is estimated to SEK 4,427 m, corresponding to SEK 139 per share⁷.

The pro forma results of asset management in the merged group is reported in Appendix 1 - "The merged company - unaudited pro forma accounts".

⁶ After part of Custos' current holdings of class B shares in AcandoFrontec have been distributed to the shareholders in the form of a dividend.

⁷ See Appendix 2 for the pro forma calculation of NAV.

SHARES AND SHAREHOLDERS

After the merger, the number of shares in the merged company will total 32,387,247 of which 502,879 are synthetically repurchased. Key ratios per share have been calculated based on the number of shares adjusted for synthetically repurchased shares, i. e. 31,884,368 shares.

After the merger, the largest owners in Öresund are expected to be⁸:

Shareholder	Number of shares	Share of votes and capital
Sven Hagströmer and family and companies	6,366,330	19.7%
Mats Qviberg and family	4,677,690	14.4%
Maths O. Sundqvist and companies	1,305,081	4.0%
HQ Funds	510,227	1.6%
Harry Gabrielsson and family and companies	426,600	1.3%
Sten Dybeck	377,250	1.2%
Astrid Ohlin	330,000	1.0%
Paul Lederhausen and foundation	330,000	1.0%
Handelsbanken (synthetically repurchased)	502,879	1.6%
Others	17,561,190	54.2%
Total	32,387,247	100.0%
Öresund's shareholders, incl. synt. repurchased	28,697,349	88.60%
Custos' shareholders, excl. Öresund's current shares, incl. synt. repurchased	3,689,898	11.40%
Total	32,387,247	100.0%
- of which synthetically repurchased	502,879	
Total, adjusted for synthetically repurchased shares	31,884,368	

The new shares in Öresund received by Custos' shareholders carry right to dividends for the financial year 2004.

MERGER PLAN AND INFORMATION TO THE SHAREHOLDERS

The Boards of Custos and Öresund have drawn up a joint merger plan. Copies of the merger plan including appendices and the auditors' review will be available at the companies from about 7 May 2004 and can be retrieved free of charge from Öresund, phone +46 8 402 33 00, or from Custos, phone +46 8 440 57 70.

Two weeks before the General Meetings of shareholders on 8 June 2004, an information document will be addressed to all shareholders in Öresund and Custos with a known address. This document will be drawn up by the two Boards together. The document is intended to provide material on which the shareholders in Öresund and Custos can base their decision ahead of the shareholders' meetings which will resolve on the issue of approving the merger plan and the new issue of shares in Öresund.

The document will also constitute a prospectus for the Öresund shares to be issued as consideration for the merger. The document will be submitted to the Finansinspektionen (the Swedish Financial Supervisory Authority) for approval and registration, pursuant to the Act on Trading in Financial Instruments.

⁸ Based on shareholder records as of 31 March 2004.

ESTIMATED TIME SCHEDULE

25 April	The Boards resolved on a merger
approx. 25 May	Publication and distribution of information document to the Öresund and Custos shareholders
8 June	Shareholders' meetings in Öresund and Custos. Resolution on (inter alia): <ul style="list-style-type: none"> • approval of the merger plan • new issue of Öresund shares as consideration to the Custos' shareholders
approx. 21 June	Patent and Registration Office gives notice to Custos' creditors
approx. 20 August	The period of notice for Custos' creditors expires
approx. 24 August	Patent and Registration Office gives permission to execute the merger decision
approx. 27 August	Final day for trading in Custos' shares
approx. 1 September	First day for trading in new Öresund shares
approx. 6 September	Notice from VPC (Swedish Securities Register Center) to shareholders stating ex-Custos shareholders' new holdings of Öresund shares

OTHER INFORMATION

Öresund has not purchased any shares in Custos during the last six months' period prior to the announcement of the merger. At the time of the announcement, Öresund held 549,972 shares in Custos, corresponding to 13 percent of the votes and capital in the company.

For the transaction, the Swedish Industry and Commerce Stock Exchange Committee's (NBK) code relating to public take-overs are adhered to, when applicable, including the Securities Council's notices of the interpretation and applicability thereof.

Stockholm 25 April 2004

Board of Directors
Investment AB Öresund

Board of Directors
Aktiebolaget Custos

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APPENDIX 1

THE MERGED COMPANY - UNAUDITED PRO FORMA ACCOUNTS

This unaudited pro forma financial accounts has been drawn up to illustrate the financial position and earnings of the merged group after the merger. A pro forma consolidated balance sheet has been prepared as if the merger were completed on 31 March 2004. A pro forma consolidated income statement has been prepared for the three-month period 1 January - 31 March 2004 as if the merger were completed on 1 January 2004 with the assumptions set out below. In addition to the assumptions described below, the pro forma accounts assume that the proposed dividend in Custos of two AcandoFrontec class B shares for each Custos share held, was decided upon by a General Meeting of shareholders and accounted for as of 31 March 2004.

The pro forma accounts are based on Öresund's and Custos' unaudited quarterly reports for the period 1 January - 31 March 2004. These were prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendations. Since financial information was not available for all associated companies at the time of the announcement of Öresund's quarterly report, the associated companies have been accounted for using the acquisition cost method instead of the equity method. In Custos' quarterly report, holdings that are not associated companies have been accounted for using the real value. In the pro forma accounts, an adjustment to the principles used by Öresund has been made, meaning that holdings that do not constitute associated companies have been accounted for at the lower of the acquisition value and the market value, according to the portfolio method.

The merger has been accounted for using the acquisition accounting method. The acquisition price will be determined on the basis of a valuation of the merger consideration paid in the new issue to Custos' shareholders on the basis of an exchange ratio where one (1) share in Custos gives one (1) share in Öresund. The fair value of the merger consideration will thus depend on the price of the Öresund share at the time the merger is completed. Thus, when preparing consolidated accounts for the merged company, Öresund will establish new acquisition values for Custos' assets and liabilities based on an acquisition price, which is not yet known.

No adjustments have been included for synergy gains or cost savings or costs for restructuring which may be a consequence of the merger.

It should be noted that the merged Group has not previously acted as a single unit. The merged company intends to report the consolidated accounts for the merged Group starting in the third quarter of 2004. The information given below does not therefore necessarily reflect the earnings or the financial position Öresund and Custos would have had if they had run their operations as a single unit during the stated periods. Nor does the information necessarily provide an indication of the merged Group's future earnings.

Unaudited pro forma accounts, 1 January 2004 - 31 March 2004

Income statement, SEK m	Note 1	Note 2	Note 3	Note 5	New group
	Öresund	Custos	Adjustment Custos	Effects of the merger	
<i>Asset management</i>					
Profits from asset management	25.7	9.1	39.6	-1.0	73.4
<i>Securities operations</i>					
Profits from securities operations	0.4	0.1	-	-	0.5
	26.1	9.2	39.6	-1.0	73.9
Administrative costs	-3.5	1.9	-12.5	0.0	-14.1
Operating profit	22.6	11.1	27.1	-1.0	59.8
<i>Profit from financial investments</i>					
Financial net	0.8	1.9	-	-	2.7
Profit after financial items	23.4	13.0	27.1	-1.0	62.5
Tax	-	-2.5	3.2	-	0.7
Minority share	-0.1	-	-	-	-0.1
Net profit	23.3	10.5	30.3	-1.0	63.1

Balance Sheet, SEK m	Note 1	Note 2	Note 3	Note 4	Note 5	New group
	Öresund	Custos	Adjustment Custos	Dividend (Acando Frontec)	Effects of the merger	
Fixed assets						
Goodwill	-	-	-	-	32.5	32.5
Material fixed assets	1.2	0.3	-	-	-	1.5
Shares and participations	2,736.1	264.5	102.0	-28.3	-46.9	3,027.4
Long-term receivables	3.7	-	-	-	-	3.7
Total fixed assets	2,741.0	264.8	102.0	-28.3	-14.4	3,065.1
Current assets						
Inventory	20.3	0.2	-	-	-	20.5
Other current assets	6.9	3.8	-	-	-	10.7
Short-term investments	-	298.0	-	-	-	298.0
Cash and bank deposits	64.0	0.5	-	-	-	64.5
Total current assets	91.2	302.5	-	-	-	393.7
Total assets	2,832.2	567.3	102.0	-28.3	-14.4	3,458.8
Shareholders' equity						
Restricted equity	299.4	180.9	-	-	382.6	862.9
Non-restricted equity	2,305.8	348.7	89.5	-28.3	-403.0	2,312.7
Total shareholders' equity	2,605.2	529.6	89.5	-28.3	-20.4	3,175.6
Minority interest	1.3	-	-	-	-	1.3
Provisions						
Provisions for pensions	1.7	-	-	-	-	1.7
Other provisions	0.0	33.9	12.5	-	-	46.4
Total provisions	1.7	33.9	12.5	-	-	48.1
Current liabilities						
Notes payables	6.1	-	-	-	-	6.1
Other liabilities	217.9	3.8	-	-	6.0	227.7
Total current liabilities	224.0	3.8	-	-	6.0	233.8
Total equity and liabilities	2,832.2	567.3	102.0	-28.3	-14.4	3,458.8

NOTES TO THE UNAUDITED PRO FORMA ACCOUNTS

Note 1 Öresund

Annual accounts for Öresund according to the announced interim report for the first quarter of 2004, prepared and presented according to the Annual Accounts Act and Swedish Financial Accounting Standards Council's recommendations. Associated companies accounted for by means of the acquisition cost method. The interim report for the first quarter of 2004 has not been subject to review by the company's auditors.

Note 2 Custos

Annual accounts for Öresund according to the announced interim report for the first quarter of 2004, prepared and presented according to the Annual Accounts Act and Swedish Financial Accounting Standards Council's recommendations. Associated companies accounted for by means of the equity method. The interim report for the first quarter of 2004 has not been subject to review by the company's auditors.

Note 3 Adjustment Custos

Custos' accounting principles in some aspects differ from those employed by Öresund. Custos' accounts have been adjusted to the principles employed by Öresund for accounting of associated companies by means of the acquisition method, as well as the revaluation of the holdings that does not constitute associated companies to the lower of acquisition value and market value according to the portfolio method.

The adjustments give rise to a positive effect on the results from asset management in the amount of SEK 39.6 m in the pro forma income statement. In the pro forma balance sheet, the adjustments give rise to an increase of the financial fixed assets in the amount of SEK 102.0 m.

In addition, administrative costs have been adjusted for increased reservations, including social security contributions, relating to bonuses for the management team in Custos, in line with the bonus program that was launched on 1 January 2003. Due to the merger plan, this bonus programme has been adjusted to, in the event of a merger, relate to the NAV per Custos share instead of the share price. The intention with the adjustment is that the outcome of the bonus program should equal the estimated outcome following a liquidation. The bonus programme will be settled as of the announcement of the merger, conditioned on the approval from the General Meetings of shareholders in Custos and Öresund, respectively.

Note 4 Dividend of shares in AcandoFrontec

In the pro forma accounts is assumed that the proposed dividend in Custos, in the form of two class B shares in AcandoFrontec for each Custos share held, was already carried as of 31 March 2004. The dividend will be carried out in June 2004, conditional on the approval of the Board's decision by the Annual General Meeting. The proposed dividend comprising shares in AcandoFrontec have reduced shareholders' equity.

Öresund's share of the dividend, attributable to its holdings of Custos shares, has been taken into consideration.

Note 5 Effects of the merger

The merger has been accounted for according to the acquisition method. In calculating the acquisition cost, Öresund's quoted share price as at 23 April 2004 (SEK 150) have been used. 23 April 2004 was the last trading day prior to the announcement of the merger.

It should be noted that final acquisition cost analysis will differ from the one used in the pro forma accounts.

a) Acquisition cost analysis

The pro forma accounts is based on the following acquisition cost analysis:

Number of shares in Custos	4,239,870
- of which owned by Öresund	<u>-549,972</u>
Number of shares to acquire	3,689,898
Exchange ratio	1:1
Number of issued shares in Öresund	3,689,898
Share price for Öresund as at 23 April 2004 (SEK)	150
Calculated acquisition cost (SEK m)	553.5
Estimated transaction costs (SEK m)	6.0
Acquired share (87%) of net asset value in Custos as at 31 March 2004 (SEK m)	527.0
Goodwill (SEK m)	32.5

The estimated transaction costs related to the merger amounts to SEK 6.0 m and is accounted for as a liability in the pro forma balance sheet.

The net asset value used in the acquisition cost analysis is calculated as of 31 March 2004 and based on official market values. The assets of Custos mainly comprise monetary assets, primarily liquid funds and listed securities, which can be turned into cash at fixed or ascertainable rates.

As is evident from the above, a goodwill item of SEK 32.5 m arises as a residual in the preliminary acquisition cost analysis. In the pro forma balance sheet, the amount has been accounted for as goodwill and is reported as a fixed asset. Since the final acquisition cost analysis is dependent on the share price of Öresund and the net asset value of Custos, this amount may change in any direction. The treatment of this item will be established in conjunction with the final acquisition cost analysis.

b) Öresund's previous holdings of shares in Custos

Öresund owns 13 percent of Custos. The merger with Custos entails that the assets and liabilities previously owned indirectly by Öresund will be accounted for directly for in the juridical person Öresund.

During the period 1 October 2003 through 31 March 2004, Custos has not been an associated company of Öresund. This implies that Öresund during this period has not consolidated Öresund's share of the profits in Custos. When Custos' assets and liabilities are absorbed by Öresund in the merger, this gives rise to a positive effect in the shareholders' equity in Öresund of SEK 10 m. This amount corresponds to Öresund's share of Custos' profits during the period 1 October 2003 through 31 March 2004.

Profit effects in Öresund related to the holdings of Custos shares during the first quarter of 2004 have been eliminated in the pro forma income statement, as they are considered as internal transactions.

APPENDIX 2

PRO FORMA CALCULATION OF NET ASSET VALUE PER SHARE FOLLOWING THE MERGER

Based on NAVs as at 23 April 2004

<u>Net asset value before the merger, SEK m</u>	<u>Öresund</u>	<u>Custos</u>
Holdings of listed shares	3,981	420
Holdings of non-listed shares	32	5
Total holdings of shares	4,013	425
Other assets and liabilities, net	-135	255
Minorities	-1	
Net asset value, SEK m	3,876	680
- less proposed dividend in Custos (2 shares in AcandoFrontec), SEK m		-52
Net asset value after dividend, SEK m	3,876	628
Per share net asset value, after dividend and repurchased shares, SEK	137.34	149.22
 <u>Net asset value after merger</u>		
Öresund's net asset value before merger	3,876	
Custos' net asset value before merger, after dividend	628	
- less market value of Öresund's holdings of shares in Custos	-79	
- plus retained dividend from Öresund's holdings of shares in Custos	7	
- less estimated transaction costs	-6	
Net asset value after merger	4,427	
 <u>Calculation of number of shares after merger</u>		
Number of shares before merger, excluding for synthetically repurchased shares	28,224,924	4,209,416
- plus synthetically repurchased shares	472,425	30,454
Number of shares before merger, including synthetically repurchased shares	28,697,349	4,239,870
- less Öresund's holdings of shares in Custos		-549,972
Number of outstanding shares in Custos eligible for merger consideration		3,689,898
Number of issued shares in Öresund in the merger (exchange ratio 1:1)	3,689,898	←
Number of shares in Öresund after the merger	32,387,247	
- less synthetically repurchased shares ⁹	-502,879	
Shares in Öresund after the merger, excluding synt. repurchased shares	31,884,368	
 <u>Calculation of per share net asset value after the merger</u>		
Net asset value after the merger, SEK m	4,427	
Shares in Öresund after the merger, excluding synthetically repurchased shares	31,884,368	
Per share net asset value, adjusted for synt. repurchased shares	138.84	
- increase, SEK	1.50	
- increase, %	1.1%	

⁹ The merger entails that Öresund enters into Custos' agreement with Handelsbanken relating to synthetical repurchased shares. In effect, the currently repurchased Custos shares will be converted to synthetically repurchased Öresund shares.

The Öresund shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or under any of the relevant securities laws of any state or other jurisdiction of the United States.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved of the Öresund Shares or determined if this document is accurate or complete. The business combination in the United States is being made pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933 provided by Rule 802 thereunder. This business combination is made for the securities of a non-U.S. company. The offer is subject to disclosure requirements of a non-U.S. country that are different from those of the United States. Financial statements included in the document, if any, have been prepared in accordance with non-U.S. accounting standards that may not be comparable to the financial statements of United States companies. It may be difficult for an U.S. resident to enforce his or her rights and any claim he or she may have arising under the federal securities laws, since the issuer is located outside the United States, and some or all of its officers and directors may be residents of a country other than the United States. An U.S. resident may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. It may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.